

Myton School Trust
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended
31 August 2013

Company Registration No. 07669416

Myton School Trust

REFERENCE AND ADMINISTRATIVE DETAILS

Board of Governors

Mr D Kelham	Chair of Governors
Mrs D Burley	Vice Chair & Parent Governor
Mr E P MacIntyre	Headteacher & Accounting officer
Mr J Atkinson	
Mr G Basi	Parent Governor
Mrs J Bessant	Parent Governor
Mrs A Bond	Parent Governor (resigned 31 August 2013)
Mr R M Davies-Colley	Parent Governor
Mrs E Dodson	Staff Governor (resigned 15 October 2013)
Mrs J Fell	
Mr J Findlay	Parent Governor
Miss A Hawkes	Staff Governor (appointed 1 July 2013)
Mrs T Knott	(appointed 21 October 2013)
Mrs C Lee	
Mr D Leigh-Hunt	
Mr P Mayor	Staff Governor
Mrs M Morris	
Mr S Nicklin	
Mrs J Pannu	(appointed 21 October 2013)
Mr D Witham	

All of the above governors were in office throughout the financial year, with the exception of Miss Hawkes who was appointed on 1 July 2013, Mrs Pannu and Mrs Knott who were appointed on 21 October 2013, Mrs Dodson who resigned on 15 October 2013 and Mrs Bond who resigned on 31 August 2013.

Company Secretary

Ms A Lawson
Mrs E J Burrows

Leadership Team

Mr E P MacIntyre	Headteacher
Mrs H Bridge	Deputy Headteacher
Mr S Jones	Deputy Headteacher
Mr A Perry	Deputy Headteacher
Mrs E J Burrows	Finance Director
Mr M Aynsley	Assistant Headteacher
Ms E Guirguis	Assistant Headteacher
Dr J Hunt	Assistant Headteacher
Mr K McRoy	Assistant Headteacher
Mr G Owen	Assistant Headteacher
Mrs A C Round	Assistant Headteacher
Mr M Sykes	Assistant Headteacher
Mr J Targett	Assistant Headteacher

Principal and Registered Office

Myton School
Myton Road
Warwick
Warwickshire
CV34 6PJ

Company Registration Number (England and Wales)

07669416

Independent Auditor

Baker Tilly UK Audit LLP
St Philips Point
Temple Row
Birmingham
B2 5AF

Myton School Trust

REFERENCE AND ADMINISTRATIVE DETAILS (continued)

Bankers

Barclays Bank plc
Barclays House
Ground Floor Dominus Way
Meridian Business Park
Leicester LE19 1RP

Solicitors

Corporate Legal Services
Warwickshire County Council
Shire Hall, PO Box 9
Warwick
CV34 4RR

Myton School Trust

GOVERNORS' REPORT

The Board of Governors present their annual report together with the financial statements and auditors' report of Myton School Trust for the year ended 31 August 2013.

Structure, Governance and Management

History

Myton School was founded in 1968 following the amalgamation of 2 single sex high schools located on the current Myton School site. In 1992 Myton School was incorporated as a grant maintained school. Following the demise of the grant maintained structure, Myton School became a Foundation School in 1999. On 1st July 2011, Myton School converted to academy status and Myton School Trust was incorporated.

Constitution

Myton School Trust (the "Trust") is a company limited by guarantee and has exempt charity status.

The Governors act as the Board of Trustees (the "Board") for the charitable activities of the Trust and are also the directors of the Trust for the purposes of company law. The trading name of the Trust is Myton School.

Details of the governors who served throughout the year ended 31 August 2013 are included in the Reference and Administrative Details on page 1.

Members' liability

The current members of Myton School Trust are listed below:

Mr D Kelham
Mrs D Burley
Mr R M Davies-Colley
Mrs M Morris
Mr D Witham

Every member undertakes to contribute an amount not exceeding £10 to the Trust's assets in the event of the Trust being wound up during the period of membership, or within one year thereafter.

The Trust is governed by the rules and regulations set down in its Memorandum and Articles of Association dated 14 June 2011.

Governors' indemnities

The Governors of the Trust benefit from indemnity insurance purchased by the Trust to cover the liability of the Governors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Trust. The insurance shall not extend to any claim arising from any act or omission which the governors knew to be a breach of trust or breach of duty or which was committed by the Governors in reckless disregard to whether it was a breach of trust or breach of duty or not.

Method of recruitment and appointment or election of governors

The Governors have set up procedures that will enable regular reviews of the mix of skills that should be available to the board. New governors will then be sought with these skills, either as additional governors or replacements when existing governors stand down. It is anticipated that the great majority of new governors will be drawn from the local community being either parents or carers of students at the Trust or others that have shown an interest in the future well-being of the Trust and its students. Recruitment is therefore likely to be through a combination of approaches to individuals with known skills and by wider communications to those within the local community.

Myton School Trust

GOVERNORS' REPORT (continued)

In accordance with the Trust's articles of association, governors can be appointed / elected as follows:

- Members of the Trust may appoint up to 11 governors.
- Members of the Trust may appoint **staff governors** providing that the total number of governors (including the Headteacher) who are employees of the Trust does not exceed one third of the total number of governors.
- The Local Authority (LA) may appoint an **LA governor**.
- The Board must include at least 2 **parent governors**. Parent governors are elected by parents of registered students at the Trust and then appointed by the Members.
- The governors may appoint up to 3 co-opted governors
- In special circumstances the Secretary of State can appoint additional governors to the Board of the Trust

As at 31 August 2013, the board comprised 3 staff governors (excluding the Headteacher) and 6 parent governors.

Policies and procedures for the induction and training of trustees

New governors are given an induction pack which includes relevant terms of references, copies of key school policies and guidance on suitable governor training courses.

A training link governor has been appointed by the board who is responsible for identifying relevant training courses and conferences organised by appropriate bodies. The training link governor informs the board of relevant training opportunities on a regular basis throughout the school year which ensures that individual governors attend relevant courses and that their knowledge and understanding of their role is fully up to date.

Organisational structure

The Board of Governors have responsibility for setting and monitoring the overall strategic direction of the Trust, approving decisions reserved for governors and as set out in the scheme of delegation. The governors are also involved in appointing key members of staff. The Governors set strategic objectives and educational targets for the Trust with some of these functions delegated to sub-committees.

The Governors meet as a board 4 times a year. All decisions reserved for the governors are taken by the board as a whole. The board has established a number of sub-committees which meet to consider detailed matters and recommend decisions to the full board. These sub-committees meet at least 4 times a year.

There are currently four sub-committees:

- Personnel and Health & Safety Committee
- Quality Assurance and Standards Committee
- Student Welfare/ Care & Guidance & Safeguarding Committee
- Finance & Facilities Committee / Audit Committee

Additionally, working groups with clear terms of reference are formed on an ad hoc basis to consider specific issues and make recommendations to the board.

The Headteacher is the Accounting Officer and works closely with governors and the senior staff of the Trust.

The day-to-day management rests with the Headteacher who has overall responsibility for the Trust. The Headteacher is responsible for establishing a Leadership Team, including the Finance Director, Deputy Headteachers and Assistant Headteachers. The Leadership Team is responsible for the students' education and welfare, organising all staff and the day to day operations, resources and facilities.

Risk management

The Trust has been through a process to assess various risks and to identify and implement strategies for mitigating these risks. This process identified various risk categories and their potential operational and financial impact, the probability of such occurrences and hence the overall gross risk. The governors have identified clear mechanisms to manage these risks in particular those relating to the specific teaching, provision of facilities and other operational areas of the Trust and its finances. Appropriate and adequate insurance cover is in place as well as an effective system of internal financial controls.

Myton School Trust

GOVERNORS' REPORT (continued)

Connected organisations, including related party relationships

The Trust has no connected organisations to report.

Objectives and Activities

Objects and aims

The charitable objectives for which the Trust was established are set out in the articles of association, which can be found on our website www.mytonschool.co.uk, as follows:

- “to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum;
- to promote for the benefit of the inhabitants of Warwick the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances of for the public at large in the interest of social welfare and with the object of improving the condition of life of the said inhabitants.”

Objectives, strategies and activities

Myton School is a very successful, 11-18 age range, co-educational comprehensive school with an excellent reputation, in both the local area and nationally. The socio-economic profile of the Trust's students is diverse and reflects its comprehensive and multi-cultural nature.

Myton School's mission statement is “to enable us all to be successful by achieving our full potential as learners and individuals. This means we will work together to ensure high levels of achievement for all.” To achieve this, the Trust's strategic improvement plan 2011 – 2013 focused on **narrowing the gap**. This meant that the Trust had ambitious plans for everyone in its community to achieve, succeed and to reach their full potential. It meant reducing in-school variation and volatility; that is where departments sometimes perform better with one particular group of students and some lag behind; where some departments excel and other departments do not; or where a department might perform well one year and less well the next. It was about raising performance across the school to a consistently high standard for all.

To achieve this aim, the main strategic objectives throughout the 12 months ended 31 August 2013 were:

1. To ensure high levels of achievement for all by empowering all members of the Trust's community to continuously improve standards of teaching and learning.
2. To ensure high levels of achievement for all by providing a personalised learning experience which is inclusive and challenging.
3. To ensure high levels of achievement for all through effective and inspirational leadership at all levels.
4. To ensure high levels of achievement for all by fostering a positive culture based on effective professional and caring relationships within and across our community.
5. To ensure high levels of achievement for all through a culture of partnerships, networks and collaboration.

Public benefit

The principal purpose of Myton School Trust is to run a fully inclusive secondary school for boys and girls aged between 11- 18 located in Warwick and the surrounding areas.

The Mission Statement of Myton School as noted on Page 5 seeks to provide students with the skills to make the most of their time both in secondary education but also aims to prepare students for life once they have left. There is a significant focus on the students' spiritual, moral, social and cultural development to prepare our students for rewarding adult lives aware of their responsibility to serve and support the local, national and international communities to the best of their abilities.

The Board of Governors have taken The Charity Commission's specific guidance on public benefit (contained within the guidance document “The Advancement of Education for the Public benefit”) into consideration in

Myton School Trust

GOVERNORS' REPORT (continued)

preparing their statements on public benefit contained within the Governors' annual report and in reviewing the activities and achievements of the Trust.

Benefits & Beneficiaries

In accordance with its charitable objectives, the Trust strives to advance the education of the students attending the school. The Trust's primary beneficiaries are therefore the students, and benefits to students are provided through continuing to maintain a high standard of education throughout the Trust.

Governors' Assessment of Public Benefit

In order to determine whether or not the Trust has fulfilled its charitable objectives for public benefit, the Governors gather evidence of the success of Myton School Trust's activities as noted below.

Indicators, Milestones and Benchmarks

Indicators are used to monitor achievement and attainment at key milestones in the students' education throughout the Key Stages. These are benchmarked against Fischer Family Trust Model D ("FFT D") estimates to ensure comparison with the upper quartile of schools nationally. These indicators include:

At Key Stage 3

- % of students making 4 or more sub levels of progress in English, Maths and Science

Attainment at GCSE

- % achieving 5A*-C including English and Maths
- % achieving 5A*-G grades
- % achieving 5A*-A grades
- Average capped point score
- Attainment of students eligible for Pupil Premium and students with special educational needs or disabilities ("SEND") compared to target

Achievement at GCSE

- Value Added for whole cohort
- Value Added for students with SEND and eligible for Pupil Premium
- % of students achieving expected, or more than expected, levels of progress in English
- % of students achieving expected, or more than expected, levels of progress in Maths
- % of students eligible for Pupil Premium who make expected, or more than expected, levels of progress in English and Maths
- % of students who become "NEET" – not in education, employment or training

Key Stage 5 / Post 16

- A*/A grades as a percentage of those awarded
- A*-B grades as a percentage of those awarded
- Value Added Score from the Advanced level performance system – ("ALPS")
- Average point score per student
- Average point score per entry

Achievements and Performance

Attainment at GCSE

At GCSE in the academic year 2012/13, Myton School met all its stated aims and targets and achieved record results.

The 5A*-C result including English and Maths was 75%, compared to 64% in 2012 and 70% in 2011. This places the school in the top 25% of schools nationally, exceeding the FFT D estimate.

Myton School Trust

GOVERNORS' REPORT (continued)

94% of our students gained 5A*-C grades which maintained our success in 2012. This figure also demonstrates the extent to which we are an inclusive school. Further evidence of the inclusive nature of Myton School is that 99% of our students gained 5A*-G grades, and 0% of students have gone on to become NEET.

46% of our Free School Meal ("FSM") students achieved 5A*-C grades including English and Maths which was a vast improvement on the year before (29%). This also demonstrates that the schools main aim to "narrow the gap" is achieving results and that the Pupil Premium money that the school receives is being well spent.

2013 also saw the on-going hard work invested in challenging the most able students with 33% of the year achieving 5A*-A grades, a phenomenal level that was maintained from last year.

Achievement at GCSE

Our Value Added ("VA") score was 1017, surpassing the 1010 achieved in the prior year and continuing a 4 year upward trend. Significantly, the VA score for students with SEND was also above 1000 at 1010 and continued the improving trend noted last year.

The percentage of students achieving expected progress in English and Maths also achieved record levels with 81% of students achieving at least 3 levels of progress in English and 80% in Maths.

The percentage of students achieving better than expected progress exceeded FFT D estimates with 45% of students achieving 4 or more levels of progress in English and 43% in Maths.

Key Stage 5 / Post-16

All the attainment trends at A Level are upwards. 31% of grades awarded were A* or A which is an improvement on last year's 24%. The A*-B measure of 67% is very positive as is the big rise to 86% in the A*-C measure. Combined, these measures have ensured another year with exceptionally high numbers of students gaining entry to their first choice University.

88% of our Year 13 have gone on to gain a place at university (this includes 3% securing a university place but taking a gap year). Over 60% of these university places were at Russell Group Universities. 7% went on to full-time employment and 3% have taken a gap year, and 2% have gone on to College.

The VA score according to ALPS has risen from 0.79 to 0.90.

The average point score per entry and per student have remained consistent or has risen despite national A level results declining. The average point score per student is 834 which is significantly above the national average, an achievement all the more impressive as Myton students follow traditional A level courses and do not undertake general studies en masse. The average point score per student is now 220, up 7 points on last year and well above the national average.

Financial Review

Financial Outcome of Activities & Events

Most of the Trust's income is obtained from the Education Funding Agency ("EFA") in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the year ended 31 August 2013, and the associated expenditure, are shown as restricted funds in the Statement of Financial Activities.

The Trust also received a grant for maintenance repairs from the Academies Capital Maintenance Fund which is shown in the Statement of Financial Activities as restricted funds.

Unrestricted income comprises sports centre, other lettings, donations, catering income and departmental sales.

In addition, the Trust received contributions towards specific costs from King Henry VIII Foundation. Such grants are shown in the Statement of Financial Activities as unrestricted funds.

Myton School Trust

GOVERNORS' REPORT (continued)

Under Accounting Standard FRS17, it is necessary to charge projected deficits on the Local Government Pension Scheme ("LPGS"), provided to support staff, to the restricted fund. This resulted in reducing the reserves in the restricted fund. It should be noted that this does not present the Trust with any current liquidity problems.

The Trust's General Annual Grant (GAG) to carry forward for the year ended 31 August 2013 is minimal due to a significant investment in ICT infrastructure to both upgrade the servers and hardware along with introducing wireless capacity across the school site.

Key Financial Performance Indicators

The key financial performance indicators monitored by the Leadership Team and Board on a regular basis are as follows:

- Employee costs as a percentage of total income. The target % has been set by the Finance & Facilities Committee at 78%.
- Quarterly management accounts versus budget. All variations greater than £10,000 are investigated and explained to the Finance & Facilities Committee at the regular committee meetings
- Forecast management accounts up to period end versus budget (in last quarter). Again all forecast variations greater than £10,000 are investigated and explained to the Finance & Facilities Committee at the regular committee meetings
- GAG income versus expenditure. Significant variations are also investigated and explained as above.

Reserves Policy

The Governors' policy is to generate reserves to provide funds to continue to enhance the educational facilities and services of the school and to fund future projects. The Governors intend to review the reserves policy annually to ensure that this aim is being achieved.

At the balance sheet date, the Trust had free reserves of £496,000 (2012: £407,000).

The Governors intend to utilise these reserves in the near future to improve the infrastructure of the school's premises. Currently the Trust is looking to develop a new post-16 centre and a new development centre with a specialism in autism. The reserves will be used to invest in the feasibility studies for these developments. Capital grants will need to be obtained once the appropriate permissions have been obtained to enable these capital projects to be funded.

Investment Policy

The Governors' investment powers are set out in the Trust's Memorandum and Articles of Association, which permit the investment of monies of the Trust that are not immediately required for its purposes in such investments as may be thought fit subject to any restrictions which may from time to time be imposed or required by law.

The Trust's current policy is to invest surplus funds in short-term cash deposits.

For the period ended 31 August 2013 and in the current economic climate, the Trust's cash held in the interest bearing account generated interest of between 0.4% and 0.7%.

Financial and Risk Management Objectives and Policies and Principal Risks and Uncertainties

In accordance with the Trust's risk management policy, the following main risks were identified throughout the period ended 31 August 2013 and are being monitored / managed by the Governors:

- Risk that future budgets could be in deficit and cannot be met by reserves due to external factors
- Risk that financial information cannot be recovered in the event of a disaster – e.g. theft, vandalism etc
- Risk that the pre-16 and post-16 funding reviews led by the EFA / DfE will have an adverse effect on the school finances leading to projected shortfalls in budget

Myton School Trust

GOVERNORS' REPORT (continued)

- Risk that there is insufficient demand for school places reducing its ability to fulfil its charitable objects
- Risk that the LGPS deficit creates an unsustainable deficit
- Risk that Myton School Trust will not be part of the educational solution to support the housing development plans as outlined in the Warwick District Council – Local Plan
- Risk that Myton School Trust is part of the educational solution to support the housing development plans as outlined in the Warwick District Council – Local Plan but that insufficient funding is provided to Myton School to meet the increase in student places

The Board of Governors and Leadership Team have considered these risks and policies and procedures have been put in place to minimise these risks, including budget management and forecasting procedures, the procurement of adequate insurance cover, disaster recovery planning, investment in staff training and a focused branding and marketing campaign. The Trust's LGPS pension scheme is reviewed by qualified actuaries on an annual basis. There is currently a deficit on this scheme as disclosed in note 22. The Trustees of the LGPS arrange for appropriate contribution rates to be paid by the members and the employer to ensure that the pension scheme is properly funded over time. The Board of Governors and Leadership Team are actively engaged in discussions with both Warwick District Council and Warwickshire County Council regarding the proposed Local Plans impact to education across the district.

Going Concern

After making appropriate enquiries, the Board of Governors has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Plans for future years

Future Strategy

The Trust's strategic focus in 13/14 and beyond continues to be improving outcomes for all learners via the strategies outlined in Objectives, Strategies and Activities. The academic targets for the academic year 13/14 have been set as follows:

Attainment and achievement targets for GCSE:

- 77% 5A*-C including English and Maths
- 84% 3 levels progress in English
- 80% 3 levels progress in Maths

Key stage 5 / post 16 targets have been set as

- A* to A – over 33%
- A* to B – over 67%
- A* to C – over 89%

Future Activities & Events

The Trust has three significant site development initiatives planned for 13/14 and beyond as follows:

- Post 16 Centre. This is the last phase of the Governors' 10 year site development plan and is a £3.5 million project to both replace our very old and dilapidated current 6th form facilities and to provide a state-of-the-art facility that will enable our current 6th form numbers to expand from 300 students to 400 and also increase teaching and learning capacity within the main school.
- Expansion of Development Centre. This is a £1 million project to expand and enhance our current development centre provision to provide a centre of autism expertise within Warwickshire County Council.
- Expansion of the school from a current capacity of 1,702 up to 2,300 to provide a joint secondary education solution with Champion School to support the Warwick District Council Local Plan. The draft Local Plan is currently estimating an increase in housing in Warwick of approximately 4,000 dwellings.

Myton School Trust

GOVERNORS' REPORT (continued)

Public Benefit

It is the objective of the Trust to continue its work to provide the best education possible for its students both in terms of academic rigour and personal and social qualities.

Funds held as custodian trustee on behalf of others

Although the Trust maintains restricted funds to deal with incoming resources that are earmarked for a particular purpose, the Trust does not hold, and the governors do not anticipate that it will in the future hold, any funds as custodians for any third party.

Auditor

Baker Tilly UK Audit LLP has indicated its willingness to continue in office.

In so far as the governors are aware:

- There is no relevant audit information of which the Trust's auditor is unaware; and
- The Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by order of the members of the Board of Governors on 17 December 2013 and signed on its behalf by:



David Kelham
(Chair of Governors)

Myton School Trust

GOVERNANCE STATEMENT

Scope of responsibility

As governors, we acknowledge we have overall responsibility for ensuring that Myton School Trust has an effective and appropriate system of control, financial and otherwise. However such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Board of Governors has delegated the day-to-day responsibility to the Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Myton School Trust and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns of internal control.

Governance

The Board of Governors has formally met 4 times during the year ended 31 August 2013. Attendance at meetings of the Board of Governors during the year was as follows:

Governor	Meetings Attended	Out of a Possible
Mr D Kelham (Chairman)	4	4
Mrs D Burley (Vice-Chair and Chair of Student Welfare/ Care & Guidance & Safeguarding sub-committee)	3	4
Mr E P MacIntyre (Headteacher & Accounting Officer)	4	4
Mr J Atkinson	4	4
Mr G Basi (Chair of QA and Standards sub-committee)	2	4
Mrs J Bessant	4	4
Mrs A Bond	3	4
Mr R M Davies-Colley	1	4
Mrs E Dodson	3	4
Mrs J Fell	2	4
Mr J Findlay	4	4
Miss A Hawkes (appointed 1 July 2013)	1	1
Mrs K Lee	3	4
Mr D Leigh-Hunt	3	4
Mr P Mayor	4	4
Mrs M Morris (Chair of Personnel and Health & Safety Committee)	4	4
Mr S Nicklin	3	4
Mr D Witham (Chair of Finance & Facilities Sub Committee and Audit Committee)	3	4

The Finance & Facilities Committee is a sub-committee of the main Board of Governors. Its purpose, as set out in the Terms of Reference updated annually, is to:

- assist the decision making of the Board of Governors, by enabling more detailed consideration to be given to the best means of fulfilling the Board of Governors' responsibility, to ensure sound management of the academy's finances and resources, including proper planning, monitoring and probity
- make appropriate comments and recommendations on such matters to the Board of Governors on a regular basis
- to ensure major issues will be referred to the full Board of Governors for ratification
- to agree the auditors audit plan
- to receive the auditors' report and to recommend to the full Board of Governors action as appropriate in response to the audit findings
- to recommend to the Board of Governors the appointment or reappointment of the auditors of the academy

Myton School Trust

GOVERNANCE STATEMENT (continued)

The Finance & Facilities Committee is chaired by Mr D Witham, a Chartered Accountant and Director in his own accounting practice. 6 Finance & Facilities sub-committee meetings were held during the year ended 31 August 2013. Attendance at these meetings was as follows:

Governor	Meetings Attended	Out of a possible
Mr D Witham (Chair of Finance & Facilities committee)	6	6
Mr J Atkinson (joined Finance & Facilities committee Nov 2012)	3	5
Mr R M Davies-Colley	1	6
Mr D Kelham (Chair of Governors)	5	6
Mr D Leigh-Hunt	5	6
Mr P Mayor	6	6
Mr E P MacIntyre (Headteacher & Accounting Officer)	6	6
Mr S Nicklin	4	6

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the Trust's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Myton School Trust for the year ended 31 August 2013 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Governors has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate these risks. The Board of Governors is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been put in place for the year ending 31 August 2013 and up to the date of approval of the annual report and financial statements. The process is regularly reviewed by the Board of Governors.

The Risk and Control Framework

The Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Governors
- regular reviews by the Finance and Facilities sub-committee of reports which indicate financial performance against the budgets / forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing guidelines
- delegation of authority and segregation of duties
- identification and management of risks

The Board of Governors has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Board of Governors have appointed Baker Tilly UK Audit LLP, the external auditor, to perform additional compliance checks.

The auditor's role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. On an annual basis the auditor reports to the Board of Governors on the operation of the systems of control and on the discharge of the Board of Governors' financial responsibilities.

Myton School Trust

GOVERNANCE STATEMENT (continued)

Review of Effectiveness

As Accounting Officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the external auditor
- the financial management and governance self-assessment process
- the work of the Finance Director, Finance team and Finance & Facilities Committee who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance & Facilities Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Governors on 17 December 2013 and signed on its behalf by:



Mr D Kelham
(Chair)



Mr E P MacIntyre
(Accounting Officer)

Myton School Trust

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The governors (who act as trustees for charitable activities of Myton School Trust and are also the directors of the Charitable Company for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with the Academies Accounts Direction 2013 issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the governors to prepare financial statements for each financial year. Under company law the governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of its incoming resources and application of resources, including its income and, expenditure, for that period. In preparing these financial statements, the governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

The governors are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The governors are responsible for ensuring that in its conduct and operation the Charitable Company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the EFA/DfE have been applied for the purposes intended.

The governors are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Governors on 17 December 2013 and signed on its behalf by:



Mr D Kelham
(Chair of Governors)

Myton School Trust

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Myton School Trust I have considered my responsibility to notify the Trust's Board of Governors and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the Trust's Board of Governors are able to identify any irregular or improper use of funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academies Financial Handbook.

I confirm that no instances of material irregular, impropriety or funding non-compliance have been discovered to date.



Mr E P Macintyre
Accounting Officer

17 December 2013

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MYTON SCHOOL TRUST

We have audited the financial statements of Myton School Trust for the year ended 31 August 2013 on pages 17 to 37. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), and the Academies Accounts Direction 2013 issued by the Education Funding Agency.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of governors and auditor

As explained more fully in the Statement of Governors' Responsibilities set out on page 14, the governors (who act as trustees for the charitable activities of the charitable company, and are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-\(issued-1-December-2010\).aspx](http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-(issued-1-December-2010).aspx).

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2013 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2013 issued by the Education Funding Agency.

Opinion on other requirement of the Companies Act 2006

In our opinion the information given in the Governors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- the charity has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.


PAUL OXTOBY (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
St Philips Point
Temple Row
Birmingham
B2 5AF

Date 19 December 2013

Myton School Trust

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES)

for the year ended 31 August 2013

		Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset funds £'000	Year ended 31 August 2013 Total £'000	14 month period ended 31 August 2012 Total £'000
	Notes					
INCOMING RESOURCES						
Income from generated funds:						
Voluntary income	1	20	117	-	137	1,423
Voluntary income - transfer from local authority on conversion	1	-	-	-	-	21,988
Activities for generating funds		140	-	-	140	171
Investment income		7	-	-	7	10
Income from charitable activities:						
Funding for the Academy's educational operations	2	-	7,955	-	7,955	9,466
Total incoming resources		167	8,072	-	8,239	33,058
RESOURCES EXPENDED						
Cost of generating funds:						
Costs of generating voluntary income		-	-	-	-	38
Costs of activities for generating funds		78	-	-	78	152
Charitable activities:						
Academy's educational operations	4	-	7,985	510	8,495	9,201
Governance costs	5	-	15	-	15	33
Total resources expended	3	78	8,000	510	8,588	9,424
NET (OUTGOING)/INCOMING RESOURCES BEFORE TRANSFERS						
		89	72	(510)	(349)	23,634
Gross transfers between funds		-	(274)	274	-	-
NET (EXPENDITURE)/INCOME FOR THE PERIOD		89	(202)	(236)	(349)	23,634
OTHER RECOGNISED GAINS AND LOSSES						
Actuarial gains/(losses) on defined benefit schemes	22	-	30	-	30	(275)
NET MOVEMENT IN FUNDS		89	(172)	(236)	(319)	23,359

Myton School Trust

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES) (Continued) for the year ended 31 August 2013

				Year ended 31 August 2013 Total £'000	14 month period ended 31 August 2012 Total £'000
	Notes	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset funds £'000	
NET MOVEMENT IN FUNDS BROUGHT FORWARD		89	(172)	(236)	(319) 23,359
RECONCILIATION OF FUNDS					
TOTAL FUNDS BROUGHT FORWARD		407	(1,181)	24,133	23,359 -
TOTAL FUNDS CARRIED FORWARD AT 31 AUGUST	12	496	(1,353)	23,897	23,040 23,359

All of the Academy Trust's activities derive from continuing operations during the above two financial periods.

Myton School Trust

BALANCE SHEET

31 August 2013

Company Registration No. 07669416

	Notes	2013 £'000	2013 £'000	2012 £'000	2012 £'000
FIXED ASSETS					
Tangible assets	9		23,897		24,133
CURRENT ASSETS					
Debtors	10	345		540	
Cash at bank and in hand		1,116		836	
		<u>1,461</u>		<u>1,376</u>	
CREDITORS: Amounts falling due within one year	11	(812)		(706)	
NET CURRENT ASSETS			649		670
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>24,546</u>		<u>24,803</u>
NET ASSETS EXCLUDING PENSION LIABILITY			24,546		24,803
Pension scheme liability	22		(1,506)		(1,444)
NET ASSETS INCLUDING PENSION LIABILITY			<u>23,040</u>		<u>23,359</u>
THE FUNDS OF THE ACADEMY TRUST:					
RESTRICTED FUNDS					
Fixed asset fund	12		23,897		24,133
General fund	12		153		263
Restricted funds excluding pension reserve			<u>24,050</u>		<u>24,396</u>
Pension reserve	12		(1,506)		(1,444)
TOTAL RESTRICTED FUNDS			<u>22,544</u>		<u>22,952</u>
TOTAL UNRESTRICTED FUNDS	12		<u>496</u>		<u>407</u>
TOTAL FUNDS			<u>23,040</u>		<u>23,359</u>

The financial statements on pages 17 to 37 were approved by the governors and authorised for issue on 17 December 2013, and are signed on their behalf by:

Mr D Kelham
Chair



Myton School Trust
CASH FLOW STATEMENT
for the year ended 31 August 2013

	Notes	Year ended 31 August 2013 £'000	14 month period ended 31 August 2012 £'000
NET CASH FLOW FROM OPERATING ACTIVITIES	16	591	1,147
Returns on investments and servicing of finance	17	7	10
Capital expenditure	18	(274)	(701)
Financing	19	(44)	(82)
Cash transferred on conversion to an academy trust	19a	-	462
		<hr/>	<hr/>
INCREASE IN CASH IN THE PERIOD	20	280	836
		<hr/>	<hr/>
RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS			
Increase in cash in the period		280	836
Cash outflow from decrease in lease and debt financing		44	82
		<hr/>	<hr/>
Change in net funds resulting from cashflows		324	918
New finance leases		-	(33)
Loans transferred on acquisition		-	(93)
		<hr/>	<hr/>
MOVEMENT IN NET FUNDS IN THE PERIOD	20	324	792
NET FUNDS AT 1 SEPTEMBER		792	-
		<hr/>	<hr/>
NET FUNDS AT 31 AUGUST		1,116	792
		<hr/>	<hr/>

All of the cash flows derive from continuing operations during the above two financial periods.

Myton School Trust

ACCOUNTING POLICIES

Basis of Preparation

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Statement of Recommended Practice ('SORP 2005') 'Accounting and Reporting by Charities', the Academies: Accounts Direction 2013 issued by the Education Funding Agency and Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently is set out below.

Going Concern

The governors have reviewed the forecasts of incoming resources and resources expended of the Academy and believe there are adequate resources which will enable the Academy to meet its liabilities for at least one year from the date the financial statements are signed. For this reason, the governors have adopted the going concern basis in preparing the financial statements.

Incoming resources

All incoming resources are recognised when the Academy Trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Grants receivable

Grant income is included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. The general annual grant ('the GAG') from the DfE, which is intended to meet recurrent costs, is credited directly to the Statement of Financial Activities. Other grants from government agencies and other bodies are recognised in the period in which they are receivable to the extent the conditions of funding have been met. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received the income is accrued. Capital grants are recognised as voluntary income on a receivable basis to the extent there is entitlement.

Donations

Donations are included recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

Other income

Other income including hire of facilities is recognised in the period it is receivable and to the extent the goods have been provided or the completion of the service.

Interest receivable

Interest receivable is included in the Statement of Financial Activities on a receivable basis, and is stated inclusive of related tax credits.

Resources expended

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to each activity cost category on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities are costs incurred on the Academy Trust's educational operations.

Governance costs include the costs attributable to the Academy Trust's compliance with constitutional and statutory requirements, including audit, strategic management and Governors' meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

Myton School Trust

ACCOUNTING POLICIES (continued)

Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Academy Trust at the discretion of the Governors.

Restricted General funds are resources subject to specific restrictions imposed by funders or donors, and include grants from the Education Funding Agency/Department for Education.

Restricted Fixed Assets Funds are resources which are to be applied to specific capital purposes imposed by the Education Funding Agency/Department for Education, and other funders, where the asset acquired or created is held for a specific purpose.

Tangible fixed assets

Tangible fixed assets costing £1,000 or more are capitalised at cost and are carried at cost net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where the related grants require the asset to be held for a specific purpose they are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet, with this amount being reduced over the useful economic life of the related asset on a basis consistent with the depreciation policy.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line basis over their expected useful lives, as follows:

Freehold buildings	50 years
Fixtures, fittings and equipment	5 years
ICT equipment	3 years

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Leased assets and obligations

Where assets are financed by leasing agreements that give rights approximating to ownership ("finance leases"), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor.

Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the Statement of Financial Activities in proportion to the remaining balance outstanding.

All other leases are "operating leases" and the annual rentals are charged to the Statement of Financial Activities on a straight line basis over the lease term.

Myton School Trust

ACCOUNTING POLICIES (continued)

Pensions benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the Academy Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 22, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

Agency arrangements

The Academy Trust acts as an agent in the administering of 16-19 Bursary Funds from the EFA. Related payments received from the EFA and subsequent disbursements to students are excluded from the Statement of Financial Activities to the extent that the Academy Trust does not have a beneficial interest in the individual transactions. The allowance of 5% as a contribution to administration costs is however recognised in the Statement of Financial Activities. Where funds have not been fully applied in the year then an amount will be included as amounts due to the EFA in creditors.

Myton School Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2013

1 VOLUNTARY INCOME

	Unrestricted funds £'000	Restricted funds £'000	Restricted fixed asset funds £'000	Year ended 31 August 2013 Total £'000	14 month period ended 31 August 2012 Total £'000
Assets inherited from the local authority upon conversion	-	-	-	-	21,988
Capital grants:					
EFA	-	-	-	-	532
Local authority	-	-	-	-	733
Donations	20	11	-	31	158
Revenue grants:					
EFA	-	106	-	106	-
	<u>20</u>	<u>117</u>	<u>-</u>	<u>137</u>	<u>23,411</u>

2 FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £'000	Restricted funds £'000	Restricted fixed asset funds £'000	Year ended 31 August 2013 Total £'000	14 month period ended 31 August 2012 Total £'000
DfE/EFA REVENUE GRANTS					
General annual grant (GAG)	-	7,413	-	7,413	8,875
Other DfE/EFA grants	-	542	-	542	591
	<u>-</u>	<u>7,955</u>	<u>-</u>	<u>7,955</u>	<u>9,466</u>

Myton School Trust

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2013

3 RESOURCES EXPENDED

				Year Ended 31 August 2013 Total £'000	14 month period ended 31 August 2012 Total £'000
	Staff costs £'000	Non pay expenditure Premises £'000	Other costs £'000		
Costs of activities for generating funds	16	-	62	78	152
Costs of generating voluntary income	-	-	-	-	38
Academy's educational operations					
Direct costs	5,479	510	367	6,356	7,372
Allocated support costs	832	1,236	71	2,139	1,829
	<u>6,327</u>	<u>1,746</u>	<u>500</u>	<u>8,573</u>	<u>9,391</u>
Governance costs including allocated support costs	-	-	15	15	33
	<u>6,327</u>	<u>1,746</u>	<u>515</u>	<u>8,588</u>	<u>9,424</u>
Net (outgoing)/incoming resources for the year is stated after charging:					
				Year Ended 31 August 2013 Total £'000	14 month period ended 31 August 2012 Total £'000
Operating leases – plant and machinery				10	5
Fees payable to Baker Tilly UK Audit LLP and its associates for:					
- audit				12	9
- other services				3	3
Loss on disposal of fixed assets				-	192
				<u> </u>	<u> </u>

Myton School Trust
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2013

4 CHARITABLE ACTIVITIES – ACADEMY'S EDUCATIONAL OPERATIONS

			Year Ended 31 August 2013 Total £'000	14 month period ended 31 August 2012 Total £'000
	Unrestricted Funds £'000	Restricted Funds £'000		
DIRECT COSTS				
Teaching and educational support staff costs	-	5,479	5,479	6,336
Depreciation	-	503	503	464
Educational supplies	-	66	66	56
Staff development	-	36	36	24
Educational consultancy	-	135	135	126
Exam fees	-	137	137	174
Loss on disposal of fixed assets	-	-	-	192
	-	6,356	6,356	7,372
ALLOCATED SUPPORT COSTS				
Support staff costs	-	832	832	766
Recruitment and support	-	59	59	37
Maintenance of premises and equipment	-	275	275	112
Cleaning	-	152	152	185
Rent and rates	-	25	25	41
Utilities	-	173	173	161
Insurance	-	68	68	56
Catering	-	12	12	50
Printing, postage and stationery	-	112	112	129
IT costs	-	139	139	90
Other support costs	-	292	292	202
	-	2,139	2,139	1,829
	-	8,495	8,495	9,201

Myton School Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2013

5 GOVERNANCE COSTS

	Unrestricted Funds £'000	Restricted Funds £'000	Year Ended 31 August 2013 £'000	14 month period ended 31 August 2012 £'000
Legal and professional fees	-	-	-	21
Auditors' remuneration	-	12	12	9
Audit of financial statements	-	3	3	3
Responsible officer	-	-	-	-
	-	15	15	33

6 STAFF COSTS

	Year Ended 31 August 2013 £'000	14 month period ended 31 August 2012 £'000
Staff costs during the period were:		
Wages and salaries	5,054	5,796
Social security costs	381	442
Pension costs	781	875
	6,216	7,113
Supply teacher costs	87	63
Other staff costs	24	10
	6,327	7,186

The average number of persons (including senior management team) employed by the Academy Trust during the period was as follows:

	Year Ended 31 August 2013 No	14 month period ended 31 August 2012 No
Teachers	101	105
Administration and support	80	75
Management	13	14
	194	194

Myton School Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2013

6 STAFF COSTS (continued)

The number of employees whose emoluments fell within the following bands was:

	Year Ended 31 August 2013 No	14 month period ended 31 August 2012 No
£60,001 - £70,000	4	4
£90,001 - £100,000	1	1

All of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2013, pension contributions for these staff amounted to £77,703 (2012: £76,274).

7 GOVERNORS' REMUNERATION AND EXPENSES

The Principal and other staff governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as governors. Other governors did not receive any payments from the Academy Trust in respect of their role as governors. The value of the Principal's remuneration was £100,028 in 2013 (2012: 95,213). The value of the three staff governors' remuneration was £61,986 (2012: Two - £52,972).

During the year ended 31 August 2013, travel and subsistence expenses totalling nil (2012: £Nil) were reimbursed to governors.

8 GOVERNORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2013 was £963 (2012: £963).

The cost of this insurance is included in the total insurance cost.

Myton School Trust

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2013

9	TANGIBLE FIXED ASSETS			
		<i>Freehold land and buildings £'000</i>	<i>Fixtures fittings and equipment £'000</i>	<i>Total £'000</i>
	Cost:			
	1 September 2012	24,320	277	24,597
	Additions	(6)	273	267
	31 August 2013	24,314	550	24,864
	Depreciation:			
	1 September 2012	429	35	464
	Charged in the year	373	130	503
	31 August 2013	802	165	967
	Net book value:			
	31 August 2013	23,512	385	23,897
	31 August 2012	23,891	242	24,133
	Fixed asset additions include a reversal of a previous year accrual.			
10	DEBTORS		2013 £'000	2012 £'000
	Trade debtors		58	112
	Other debtors		135	269
	Prepayments		152	159
			345	540
11	CREDITORS: Amounts falling due within one year		2013 £'000	2012 £'000
	Loans (unsecured)		-	33
	Obligations under finance leases		-	11
	Trade creditors		405	304
	Other taxation and social security		114	118
	Other creditors		77	37
	Accruals		216	203
			812	706

Obligations under finance leases are secured on related assets.

Myton School Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2013

12 FUNDS

	<i>At 1 September 2012 £'000</i>	<i>Incoming resources £'000</i>	<i>Resources expended £'000</i>	<i>Gains, losses and transfers £'000</i>	<i>At 31 August 2013 £'000</i>
RESTRICTED GENERAL FUNDS					
General Annual Grant (GAG)	193	7,413	(7,315)	(174)	117
Other DfE/EFA grants	70	542	(476)	(100)	36
Other Grants	-	117	(117)	-	-
	<u>263</u>	<u>8,072</u>	<u>(7,908)</u>	<u>(274)</u>	<u>153</u>
Pension reserve	(1,444)	-	(92)	30	(1,506)
	<u>(1,181)</u>	<u>8,072</u>	<u>(8,000)</u>	<u>(244)</u>	<u>(1,353)</u>
RESTRICTED FIXED ASSET FUNDS					
Fixed assets	24,133	-	(510)	274	23,897
	<u>24,133</u>	<u>-</u>	<u>(510)</u>	<u>274</u>	<u>23,897</u>
TOTAL RESTRICTED FUNDS	<u>22,952</u>	<u>8,072</u>	<u>(8,510)</u>	<u>30</u>	<u>22,544</u>
UNRESTRICTED FUNDS					
Unrestricted funds	407	167	(78)	-	496
	<u>407</u>	<u>167</u>	<u>(78)</u>	<u>-</u>	<u>496</u>
TOTAL UNRESTRICTED FUNDS	<u>407</u>	<u>167</u>	<u>(78)</u>	<u>-</u>	<u>496</u>
TOTAL FUNDS	<u>23,359</u>	<u>8,239</u>	<u>(8,588)</u>	<u>30</u>	<u>23,040</u>

The specific purposes for which the funds are to be applied are as follows:

Under the funding agreement with the Secretary of State, the academy grant was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2013.

Other restricted general funds were funded by government grants or donations from sponsors.

Restricted fixed asset funds were funded by government grants or sponsor donations.

Myton School Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2013

13	ANALYSIS OF NET ASSETS BETWEEN FUNDS	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset funds £'000	Total funds £'000
	Fund balances at 31 August 2013 are represented by:				
	Tangible fixed assets	-	-	23,897	23,897
	Current assets	496	965	-	1,461
	Current liabilities	-	(812)	-	(812)
	Pension scheme liability	-	(1,506)	-	(1,506)
	TOTAL NET ASSETS	496	(1,353)	23,897	23,040

14	CAPITAL COMMITMENTS	2013 £'000	2012 £'000
	Contracted for, but not provided in the financial statements	-	-

15 FINANCIAL COMMITMENTS

OPERATING LEASES

At 31 August the Academy Trust had annual commitments under non-cancellable operating leases as follows:

	2013 £'000	2012 £'000
Other:		
Expiring within two and five years inclusive	15	5

Myton School Trust
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2013

16	RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES	Year ended	14 month
		31 August 2013 £'000	period ended 31 August 2012 £'000
	Net (expenditure)/income	(349)	23,634
	Impact of transfer on conversion	-	(22,192)
	Depreciation (note 10)	503	464
	Loss on disposal of fixed assets	-	192
	Capital grants from DfE and others	-	(1,265)
	Interest receivable	(7)	(10)
	FRS 17 pension cost less contributions payable (note 22)	38	13
	FRS 17 pension finance costs (note 22)	54	63
	Decrease/(increase) in debtors	195	(540)
	Increase in creditors	157	788
		<u>591</u>	<u>1,147</u>
	NET CASH INFLOW FROM OPERATING ACTIVITIES	<u>591</u>	<u>1,147</u>
17	RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
	Interest received	7	10
		<u>7</u>	<u>10</u>
	NET CASH INFLOW FROM RETURNS ON INVESTMENT AND SERVICING OF FINANCE	<u>7</u>	<u>10</u>
18	CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
	Purchase of tangible fixed assets	(274)	(1,966)
	Capital grants from DfE/EFA	-	1,265
		<u>(274)</u>	<u>(701)</u>
	NET CASH OUTFLOW FROM CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	<u>(274)</u>	<u>(701)</u>
19	FINANCING		
	Capital element of finance lease rental payments	(11)	(22)
	Repayments of loan	(33)	(60)
		<u>(44)</u>	<u>(82)</u>
	CASH OUTFLOW FROM FINANCING	<u>(44)</u>	<u>(82)</u>
19A	CASH TRANSFERRED ON CONVERSION TO AN ACADEMY		
	Cash balance transferred on conversion	-	462
		<u>-</u>	<u>462</u>

Myton School Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2013

20	ANALYSIS OF CHANGES IN NET FUNDS	At 1 September 2012 £'000	Cash flows £'000	Non Cash flows £'000	At 31 August 2013 £'000
	Cash in hand and at bank	836	280	-	1,116
	Debt due within one year	(33)	33	-	-
	Finance leases	(11)	11	-	-
		<u>792</u>	<u>324</u>	<u>-</u>	<u>1,116</u>

21 MEMBERS' LIABILITY

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

22 PENSION AND SIMILAR OBLIGATIONS

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales ("TPS") for academic and related staff; and the Local Government Pension Scheme ("LGPS") for non-teaching staff, which is managed by Hymans Robertson LLP. Both are defined-benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2004 and of the LGPS 31 March 2010.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010). These regulations apply to teachers in schools that are maintained by local authorities and other educational establishments, including academies, in England and Wales. In addition teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and from 1 January 2007 automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a "pay as you go" basis – these contributions along with those made by employers are credited to the Exchequer under arrangements governed by the above Act. The Teachers' Pensions Regulations require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Myton School Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2013

22 PENSION AND SIMILAR OBLIGATIONS (continued)

Valuation of the Teachers' Pension Scheme

At the last valuation, the contribution rate to be paid into the TPS was assessed in two parts. First, a standard contribution rate (SCR) was determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable if, as a result of the actuarial review, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

The last valuation of the TPS related to the period 1 April 2001 to 31 March 2004. The Government Actuary's report of October 2006 revealed that the total liabilities of the Scheme (pensions in payment and the estimated cost of future benefits) amounted to £166,500 million. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at that valuation date) was £163,240 million. The assumed real rate of return was 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth was assumed to be 1.5%. The assumed gross rate of return was 6.5%. From 1 January 2007, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, the design of benefits and many other factors. Many of these assumptions are being considered as part of the work on the reformed TPS, as set out below. Scheme valuations therefore remain suspended. The Public Service Pensions Bill, which is being debated in the House of Commons, provides for future scheme valuations to be conducted in accordance with Treasury directions. The timing for the next valuation has still to be determined, but it is likely to be before the reformed schemes are introduced in 2015.

Teachers' Pension Scheme Changes

Lord Hutton published his final report in March 2011 and made recommendations about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation and Ministers engaged in extensive discussions with trade unions and other representative bodies on reform of the TPS. Those discussions concluded on 9 March 2012 and the Department published a Proposed Final Agreement, setting out the design for a reformed TPS to be implemented from 1 April 2015.

The key provisions of the reformed scheme include: a pension based on career average earnings; an accrual rate of 1/57th; and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Importantly, pension benefits built up before 1 April 2015 will be fully protected.

In addition, the Proposed Final Agreement includes a Government commitment that those within 10 years of Normal Pension Age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall just outside of the 10 year protection.

Myton School Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2013

22 PENSION AND SIMILAR OBLIGATIONS (continued)

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases were to be phased in from April 2012 on a 40:80:100% basis.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the academy has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August was £238,000 (2012: £265,000), of which employer's contributions totalled £177,000 (2012: £194,000) and employees' contribution totalled £61,000 (2012: £71,000). The agreed rates for future years are 17.3 per cent for employers and 5.5 to 7.5 per cent for employees.

Principal actuarial assumptions	2013 %	2012 %
Rate of increase in salaries	5.1	4.5
Rate of increase for pensions in payment	2.8	2.2
Discount rate	4.6	4.1
Inflation (CPI)	2.8	2.2

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement at 65 are:

	2013 Years	2012 Years
Retiring today:		
Males	21.9	21.9
Females	23.6	23.6
Retiring in 20 years:		
Males	22.8	22.8
Females	25.9	25.9

Myton School Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2013

22 PENSION AND SIMILAR OBLIGATIONS (continued)

The Academy Trust's share of the assets and liabilities in the scheme and the expected rates of return were:

	Expected return at 31 August 2013 %	Fair value at 31 August 2013 £'000	Expected return at 31 August 2012 %	Fair value at 31 August 2012 £'000
Equities	6.6	695	5.6	455
Bonds	3.9	225	3.3	124
Property	4.7	92	3.7	65
Cash	3.6	10	2.8	7
		<hr/>		<hr/>
TOTAL MARKET VALUE OF ASSETS		1,022		651
Present value of scheme liabilities				
- Funded		(2,528)		(2,095)
		<hr/>		<hr/>
DEFICIT IN THE SCHEME		(1,506)		(1,444)
		<hr/> <hr/>		<hr/> <hr/>

The expected return on plan assets was determined by considering the expected returns available on the assets underlying the current investment portfolio. Expected yields on bonds are based on gross redemption yields at the balance sheet date whilst the expected returns on the equity and property investments reflect the long-term real rates of return experienced in the respective markets.

The actual return on scheme assets was £133,000 (2012: £17,000).

Amounts recognised in the statement of financial activities

	Year ended 31 August 2013 £'000	14 months period ended 31 August 2012 £'000
Current service cost (net of employee contributions)	215	207
	<hr/>	<hr/>
Total operating charge	215	207
	<hr/> <hr/>	<hr/> <hr/>
Analysis of pension finance income/(costs)		
Expected return on pension scheme assets	38	40
Interest on pension liabilities	(92)	(103)
	<hr/>	<hr/>
Pension finance costs	(54)	(63)
	<hr/> <hr/>	<hr/> <hr/>

Myton School Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2013

22 PENSION AND SIMILAR OBLIGATIONS (continued)

The actuarial gains and losses for the current period are recognised in the SOFA.

The cumulative amount of actuarial losses recognised in the statement of recognised gains and losses since the adoption of FRS 17 is £245,000 (2012: £275,000 loss).

Movements in the present value of defined benefit obligations were as follows:	2013 £'000	2012 £'000
At 1 September 2012	2,095	1,463
Current service cost	215	207
Interest cost	92	103
Employee contributions	61	71
Actuarial loss	65	251
	<hr/>	<hr/>
At 31 August 2013	2,528	2,095
	<hr/>	<hr/>
Movements in the fair value of Academy Trust's share of scheme assets:		
At 1 September 2012	651	370
Expected return on assets	38	40
Actuarial gain/ (loss)	95	(24)
Employer contributions	177	194
Employee contributions	61	71
	<hr/>	<hr/>
At 31 August 2013	1,022	651
	<hr/>	<hr/>

The estimated value of employer contributions for the year ended 31 August 2014 is £161,000

The five-year history of experience adjustments is as follows:

	2013 £'000	2012 £'000
Present value of defined benefit obligations	(2,528)	(2,095)
Fair value of share of scheme assets	1,022	651
	<hr/>	<hr/>
Deficit in the scheme	(1,506)	(1,444)
	<hr/>	<hr/>
Experience adjustments on share of scheme assets (£'000)	95	(24)
	<hr/>	<hr/>
Experience adjustments on scheme liabilities (£'000)	-	-
	<hr/>	<hr/>

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO MYTON SCHOOL TRUST AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter and further to the requirements of the Education Funding Agency ('EFA') as included in the Academies Accounts Direction 2013, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Myton School Trust during the period 1 September 2012 to 31 August 2013 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Myton School Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Myton School Trust and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Myton School Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Myton School Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Myton School Trust's funding agreement with the Secretary of State for Education and the Academies Financial Handbook extant from 1 September 2012, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2013. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2012 to 31 August 2013 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2013 issued by the EFA.

We performed a limited assurance engagement as defined in our engagement letter.

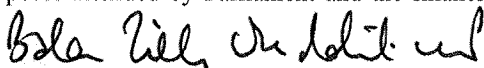
The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity. A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy trust's income and expenditure.

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2012 to 31 August 2013 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



BAKER TILLY UK AUDIT LLP

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Date 19 October 2013